

**NEW HORIZONS
YOUTH SERVICE BUREAU, INC.**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/28/09

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INDEPENDENT AUDITORS' REPORT

Board of Directors
New Horizons Youth Service Bureau, Inc.
Hammond, Louisiana

We have audited the accompanying statement of financial position of New Horizons Youth Service Bureau, Inc. (a Louisiana not-for-profit corporation) as of June 30, 2008 and the related statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-133, *Audits of Institutions of Higher Education and Other Nonprofit Institutions*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Horizons Youth Service Bureau, Inc. as of June 30, 2008, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 22, 2008 on our consideration of New Horizons Youth Service Bureau, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Our audit was performed for the purpose of forming an opinion on the basic financial statements of New Horizons Youth Service Bureau, Inc. taken as a whole. The accompanying schedules of revenues, other support, and expenses by program and supporting services, and revenues, support services, general, administrative and fundraising expenses allocated to programs are presented for purposes of additional analysis and are not a required part of the financial statements of the Organization. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis as required by U.S. Office and Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The information in these schedules have been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


December 22, 2008

New Horizons Youth Service Bureau, Inc.
Statement of Financial Position
June 30, 2008

ASSETS

Current Assets	
Cash and cash equivalents	\$ 3,483
Receivables	127,723
Prepaid insurance	5,166
	<u>136,372</u>
Property and equipment	
Automobiles	68,329
Buildings and improvements	126,026
Furniture and equipment	60,964
	<u>255,319</u>
Less accumulated depreciation	<u>(146,537)</u>
	108,782
Land	25,000
	<u>133,782</u>
TOTAL ASSETS	<u><u>\$ 270,154</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Line of credit	\$ 101,769
Accrued liabilities	37,501
	<u>139,270</u>
Net assets	
Temporarily restricted	<u>130,884</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 270,154</u></u>

The accompanying notes are an integral part of this statement

New Horizons Youth Service Bureau, Inc.
Statement of Activities
For the Year Ended June 30, 2008

Revenues and Other Support

Government grants and contracts	\$ 1,735,068
Contributions in-kind	138,012
Program service fees	1,790
Donations	8,581
Fundraising	26,789
Interest	195
Other income	<u>4,223</u>

Total revenues and other support	1,914,658
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Expenses

Program services	1,897,112
Supporting services	<u>101,806</u>

Total expenses	<u>1,998,918</u>
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Change in net assets	<u><u>\$ (84,260)</u></u>
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The accompanying notes are an integral part of this statement

New Horizons Youth Service Bureau, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2008

	United Way	Program Services						
		Runaway & Homeless	Horizon House	Tutoring	Pathways	Mental Health Crossroads	Second Step	Counseling Center
Salaries and benefits	37,995	109,106	40,977	100	476,897	148,174	32,150	10,639
Auto	-	804	566	-	1,819	2,485	61	580
Client needs	-	-	-	288	913	6	-	-
Conferences and training	-	122	48	-	2,807	50	-	301
Depreciation	-	-	-	-	-	-	-	-
Dues and subscriptions	-	63	75	-	101	35	7	199
Fundraising expense	-	-	-	-	-	-	-	-
In kind expense	-	-	-	-	-	-	-	-
Insurance	-	13,831	12,847	-	26,904	18,459	2,290	1,212
Interest	-	62	77	-	2,783	1,202	-	8
Occupancy	-	27	6	-	102	37	7	6
Office expense	4	616	349	-	2,905	4,265	108	168
Professional services	-	1,856	724	-	6,606	2,398	436	724
Repairs	-	692	391	-	983	416	89	144
Supplies	-	1,668	1,333	-	835	477	134	543
Telephone	-	1,809	441	-	5,529	3,422	676	56
Travel	5	302	122	1,253	36,099	1,680	3,652	383
Utilities	-	3,472	(465)	-	1,836	1,505	303	479
Miscellaneous	-	-	-	-	-	-	-	-
	<u>\$ 38,004</u>	<u>\$ 134,430</u>	<u>\$ 57,491</u>	<u>\$ 1,641</u>	<u>\$ 567,119</u>	<u>\$ 184,611</u>	<u>\$ 39,913</u>	<u>\$ 15,442</u>

The accompanying notes are an integral part of this statement

New Horizons Youth Service Bureau, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2008

	Program Services				Program Services Total	Supporting Services General and Administrative Fund Raising	Total
	Positive Steps	School Lunch	Bright Horizons	ADAPT			
Salaries and benefits	400,869	-	48,197	36,637	1,341,741	6,255	1,347,996
Auto	2,568	-	960	154	9,997	(263)	9,734
Client needs	7,844	-	618	-	9,669	-	9,669
Conferences and training	3,388	-	-	-	6,716	-	6,716
Depreciation	-	-	-	-	-	26,564	26,564
Dues and subscriptions	249	-	9	613	1,351	5	1,356
Fundraising expense	-	-	-	-	-	15,474	15,474
In kind expense	137,512	-	-	-	137,512	-	137,512
Insurance	39,660	-	7,848	3,920	126,971	(6,412)	120,559
Interest	-	-	-	-	4,132	5,772	9,904
Occupancy	25,260	-	22	13	25,480	-	25,480
Office expense	28,840	-	743	1,426	39,424	2,787	42,211
Professional services	23,393	-	333	872	37,342	6,602	43,944
Repairs	12,614	-	1,671	276	17,276	294	17,570
Supplies	7,874	1,032	2,370	375	16,641	2,518	19,159
Telephone	12,233	-	950	1,135	26,251	947	27,198
Travel	34,019	-	128	936	78,579	346	78,925
Utilities	3,765	-	6,059	1,076	18,030	2,185	20,215
Miscellaneous	-	-	-	-	-	38,732	38,732
	<u>\$ 740,088</u>	<u>\$ 1,032</u>	<u>\$ 69,908</u>	<u>\$ 47,433</u>	<u>\$ 1,897,112</u>	<u>\$ 101,806</u>	<u>\$ 1,998,918</u>

The accompanying notes are an integral part of this statement

New Horizons Youth Service Bureau, Inc.
Statement of Changes in Net Assets
June 30, 2008

Net assets - beginning of year	\$ 215,144
Increase (decrease) in net assets	
Temporarily restricted	<u>(84,260)</u>
Net assets - end of year	<u><u>\$ 130,884</u></u>

The accompanying notes are an integral part of this statement

New Horizons Youth Service Bureau, Inc.
Statement of Cash Flows
For the year ended June 30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (84,260)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	26,564
 (Increase) decrease in operating assets	
Accounts receivable	81,380
Prepaid insurance	1,137
 Increase (decrease) in operating liabilities	
Accounts payable	-
Accrued liabilities	<u>(31,560)</u>
Net cash provided by (used in) operating activities	(6,739)

CASH FLOWS FROM INVESTING ACTIVITIES

-

CASH FLOWS FROM FINANCING ACTIVITIES

Net proceeds/(payments) on line of credit	<u>10,222</u>
 Net cash provided by (used in) financing activities	<u>10,222</u>

Net increase (decrease) in cash and cash equivalents 3,483

Cash - beginning of year -

Cash - end of year \$ 3,483

Supplemental cash flow information

Cash paid during the year for:	
Interest	<u><u>\$ 9,903</u></u>

The accompanying notes are an integral part of this statement

New Horizons Youth Service Bureau, Inc.
Notes To Financial Statements

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

New Horizons Youth Service Bureau, Inc. (the “Organization”) was incorporated on April 20, 1978. The New Horizons Youth Service Bureau, Inc. is a non-profit organization formed to provide local resources for youth and families as a means to prevent juvenile delinquency. The Organization now serves the five Florida parishes of Tangipahoa, St. Helena, Livingston, Washington, and St. Tammany. The Organization is funded mainly through a combination of state and federal grants. They also receive funds from the United Way, local fundraising activities, and donations from other local individuals and groups. Consequently, the Organization’s ability to earn revenue is affected by state and federal governmental policies.

Programs

Horizon House – Emergency housing shelter that provides full residential care for adolescents.

Crossroads – Crisis intervention program designed to reduce incidents of psychiatric hospitalization of children and adolescents.

Counseling Center – Counseling that includes group, individual, and family therapy for instances of physical, emotional, and sexual abuse in the communities of Tangipahoa parish.

Homeward – Designed to reduce the incidence of runaway behavior and youth homelessness. The Homeward program also provides group, individual, family counseling, and parenting classes.

ADAPT – The ADAPT program is an adolescent substance abuse treatment program. Client assessment, education, counseling, and drug screening offer adolescents and their families the opportunity to break the cycle of chemical dependency. ADAPT components include group, individual, and family therapy, as well as drug testing.

Pathways – Home based therapeutic program designed to reduce the number of youth removed from their families by the court for child abuse, neglect, and/or delinquency.

Positive Steps – Provides an array of social services including group, individual, and family therapy, parenting classes and transportation for families in the child welfare systems.

Second Step – The Second Step program provides in-home parenting education for at-risk families. This program identifies services for parents identified as high-risk for child abuse or neglect.

Bright Horizons Residence – Provides residential and training services for pregnant teen-agers as well as newly delivered mothers and their babies.

New Horizons Youth Service Bureau, Inc.
Notes To Financial Statements

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Donated Assets and Services

The Organization records noncash donations as contributions at its estimated fair value at the date of donation. Significant portions of the Organization's functions are conducted by unpaid officers, board members, and volunteers. The Organization has estimated the value of these services to be \$24,500. The Organization has also received donated materials and supplies valued at \$137,512 that were used in various programs. The donated amounts are reflected as income and expense on the statement of activities.

The Organization recognizes donated services, if significant in amount, that create or enhance non-financial assets or that require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Property and Equipment

Property and equipment are recorded at cost. Acquisitions of property and equipment are made with unrestricted assets. Depreciation is provided over the estimated useful lives of the respective assets, approximately three to thirty one years, on a straight-line basis. Donations of property and equipment are recorded at estimated fair market value on the date of donation. These assets are recorded as unrestricted net assets unless the donor imposes a restriction. Depreciation expense for the year ended June 30, 2008 was \$26,564.

Income Taxes

The Organization is a not-for-profit corporation that is exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and R.S. 12:201 of Louisiana statutes.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets, if the restrictions expire in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

New Horizons Youth Service Bureau, Inc.
Notes To Financial Statements

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Functional Expense Allocation

Functional expenses are allocated among the various program services, general and administrative, and fundraising categories based on actual use or management's best estimate.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all restricted highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents include demand deposits and interest bearing demand deposits.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 116 and SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets depending on the existence and/or nature of any donor restrictions.

Accounts Receivable

Accounts receivable represent amounts due from federal and state cost reimbursement contracts. Amounts are stated at cost and management estimates that all amounts are collectible.

**NOTE B - CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN
EXCESS OF INSURED LIMITS**

The Organization maintains its cash balances in one financial institution located in Hammond, Louisiana that may at times exceed amounts covered by insurance provided by the Federal Deposit Insurance Corporation up to \$100,000. The Organization's cash balances were not in excess of the FDIC insurance at June 30, 2008. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

New Horizons Youth Service Bureau, Inc.
Notes To Financial Statements

NOTE C – COMPENSATED ABSENCES

The Organization's full-time employees receive from ten to twenty days of annual paid leave upon completion of twelve months of employment, depending on employee classification. Not more than 10 days of accrued vacation may be carried over to the following year. Full-time employees earn one day of sick leave per month based on varying terms of service and are forfeited upon termination. Annual leave vests with the employee and therefore, has been accrued. The amount of accumulated unpaid leave at June 30, 2008 was \$38,461.

NOTE D – LINE OF CREDIT

The Organization has a \$100,000 line of credit bearing interest at a rate of 8.00%, and is secured by a collateral real estate mortgage and accounts receivable. The line of credit balance at June 30, 2008 was \$99,547 and expires March 7, 2009.

NOTE E- ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at June 30, 2008:

Federal and state cost reimbursements	\$ 72,153
Program service fees	<u>55,570</u>
	<u>\$ 127,723</u>

Cost reimbursement from one state agency for the Pathways program represents 42 % of the total receivable balance as of June 30, 2008.

NOTE F – CONCENTRATIONS OF PROGRAM FUNDING

The Organization was established to provide local resources for youth and families as a means to prevent juvenile delinquency for the youth in Tangipahoa, St. Helena, Livingston, Washington, and St. Tammany parishes. The mission of the New Horizons Youth Service Bureau is to improve the physical and emotional well being of the children, youth, and families of the Florida parishes and to increase the capacity of families to effectively care for their children.

New Horizons Youth Service Bureau, Inc.
Notes To Financial Statements

NOTE F – CONCENTRATIONS OF PROGRAM FUNDING, (continued)

A substantial portion of the Organization's support and revenue is derived from restricted grants and cost based reimbursement contracts for the various programs conducted. The various grants and contracts are approved on a year-to-year basis with grant periods dated January-December, July-June, and October-September of each fiscal year. Any unexpended grant funds or unauthorized expenditures charged against the programs must be refunded.

Approximately 90% of the Organization's funding is from these contracts and grants received from Federal, State and Local government agencies. The remaining funding is generated from United Way agency, service fees and fundraising events.

NOTE G - FUND RAISING REVENUES

Fund raising revenues are presented at gross, with related expenses presented separately in the accompanying financial statements. Revenue for the year ended June 30, 2008 was \$26,789 with related expenses of \$15,474.

NOTE H – THIRD PARTY REVENUES

A substantial share of contract revenues for services to clients is derived under federal and state third-party reimbursement programs. These revenues are based, in part, on cost reimbursement principles and are subject to audit and retroactive adjustment by the respective third-party providers. Retroactive adjustments, if any, are not considered by management to be material to the financial position or results of operations of the Organization.

NOTE I – LEASES

The Organization has a lease agreement for a commercial building located in Hammond, Louisiana, with a monthly rental cost of \$1,650, which expires September 30, 2008. Rent expense was \$16,500 for the year ended June 30, 2008.

In January 2003, the Organization entered into an operating lease for a van which expired January 2006 with a monthly payment of \$427. On September 20, 2005, this vehicle was replaced with a cancelable operating lease with a monthly payment of \$560 expiring in August 2008. Total vehicle lease expense for the year ended June 30, 2008 was \$6,719.

NOTE J – SUBSEQUENT EVENT

Subsequent to June 30, 2008, the Organization closed the Bright Horizons program due to low placement referrals resulting in continuing operating losses.

SUPPLEMENTARY INFORMATION

New Horizons Youth Service Bureau, Inc.
Schedule of Federal Financial Assistance
For the Year Ended June 30, 2008

DESCRIPTION	CFDA NUMBER	GRANT NUMBER	GRANT PERIOD		TOTAL GRANT AWARD	ACCURED/ (DEFERRED) REVENUE JUNE 30, 2007	ASSISTANCE RECEIVED DURING YEAR		ACCURED/ (DEFERRED) REVENUE JUNE 30, 2008	TOTAL REVENUE RECOGNIZED	EXPENDITURES		TOTAL EXPENDITURES
			FROM	THROUGH			GRANTS	OTHER			FEDERAL	OTHER	
U.S. Department of Agriculture National School Lunch Program	10.555		07/01/05	06/30/06	-	888	888	-	-	62	1,032	55	1,087
					-	888	888	-	-	62	1,032	55	1,087
U.S. Department of Health and Human Services													
Runaway and Homeless Youth Social Services (Pathways)	93.623	06CY084001	09/30/05	09/29/08	169,059	-	165,968	-	-	165,968	134,430	7,214	141,644
Social Services (Pathways)	93.667	650715	7/1/2007	6/30/2008	146,255	76,962	145,226	-	-	145,226	137,433	7,793	145,226
Social Services (Second Step)	93.667	628049	07/01/05	06/30/08	120,000	3,576	40,606	-	2,914	39,944	39,913	2,142	42,055
Social Services (Bright Horizons)	93.667	643017	9/1/2006	8/31/2009	892,034	20,348	43,951	-	-	23,603	69,908	3,752	73,660
Family Preservation and Support Services (Positive Steps)	93.556	627799	09/01/05	09/30/08	1,717,257	64,968	620,643	-	46,822	602,497	740,088	39,716	779,804
SAMHSA (ADAPT)	93.959	638547	07/01/07	06/30/2008	69,000	11,481	53,985	-	5,313	47,217	47,433	2,545	49,978
Mental Health Services (Crossroads)	93.958	638515	07/01/07	06/30/08	187,195	16,137	184,483	-	16,928	185,274	184,611	9,907	194,518
					3,300,800	193,472	1,254,262	-	71,977	1,209,729	1,353,816	73,069	1,426,885
Total					\$ 3,300,800	\$ 194,360	\$ 1,255,150	\$ -	\$ 71,977	\$ 1,209,791	\$ 1,354,848	\$ 73,124	\$ 1,427,972

See independent auditors' report

New Horizons Youth Service Bureau, Inc.
Schedule of Revenues, Other Support, and Expenses By Program and Supporting Services
For the Year Ended June 30, 2008

	Program Services							
	Local	United Way	Runaway & Homeless	Horizon House	Tutoring	Pathways	Mental Health Crossroads	Second Step
Unrestricted revenues and other support								
Government grants and contracts	\$ 1,000	\$ 38,278	\$ 104,123	\$ 16,007	\$ -	\$ 666,932	\$ 185,274	\$ 39,944
Contributions in-kind	500	-	-	-	-	-	-	-
Program service fees	124	-	-	-	-	-	-	-
Donations	8,431	-	-	-	-	-	-	-
Tangipahoa United Way	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total unrestricted revenues and other support	10,055	38,278	104,123	16,007	-	666,932	185,274	39,944
Expenses								
Salaries and benefits	-	37,995	109,106	40,977	100	476,897	148,174	32,150
Auto	-	-	804	566	-	1,819	2,485	61
Client needs	-	-	-	-	288	913	6	-
Conferences and training	-	-	122	48	-	2,807	50	-
Depreciation	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	63	75	-	101	35	7
Fundraising expense	-	-	-	-	-	-	-	-
In kind expense	-	-	-	-	-	-	-	-
Insurance	-	-	13,831	12,847	-	26,904	18,459	2,290
Interest	-	-	62	77	-	2,783	1,202	-
Occupancy	-	-	27	6	-	102	37	7
Office expense	-	4	616	349	-	2,905	4,265	108
Professional services	-	-	1,856	724	-	6,606	2,398	436
Repairs	-	-	692	391	-	983	416	89
Supplies	-	-	1,668	1,333	-	835	477	134
Telephone	-	-	1,809	441	-	5,529	3,422	676
Travel	-	5	302	122	1,253	36,099	1,680	3,652
Utilities	-	-	3,472	(465)	-	1,836	1,505	303
Miscellaneous	-	-	-	-	-	-	-	-
Total expenses	-	38,004	134,430	57,491	1,641	567,119	184,611	39,913
Change in net assets	\$ 10,055	\$ 274	\$ (30,307)	\$ (41,484)	\$ (1,641)	\$ 99,813	\$ 663	\$ 31
	See independent auditors' report.							

See independent auditors' report.

New Horizons Youth Service Bureau, Inc.

See independent auditors' report.

New Horizons Youth Service Bureau, Inc.
Schedule of Revenues, Support, Services, General and Administrative, and Fundraising Expenses Allocated to Programs
For the Year Ended June 30, 2008

Program Services									
	Local	United Way	Runaway & Homeless	Horizon House	Tutoring	Pathways	Mental Health Crossroads	Second Step	
Unrestricted revenues and other support									
Government grants and contracts	\$ 1,000	\$ 38,278	\$ 104,123	\$ 16,007	\$ -	\$ 666,932	\$ 185,274	\$ 39,944	
Contributions in-kind	500	-	-	-	-	-	-	-	
Program service fees	124	-	-	-	-	-	-	-	
Donations	8,431	-	-	-	-	-	-	-	
Tangipahoa United Way	-	-	-	-	-	-	-	-	
Fundraising	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	
Other income	-	-	-	-	-	-	-	-	
Total unrestricted revenues and other support	10,055	38,278	104,123	16,007	-	666,932	185,274	39,944	
Allocation of supporting service revenues	156	594	1,615	248	-	10,343	2,873	619	
Total revenues and other support	10,211	38,872	105,738	16,255	-	677,275	188,147	40,563	
Expenses									
Compensation expenses	-	37,995	109,106	40,977	100	476,897	148,174	32,150	
Occupancy	-	-	804	566	-	1,819	2,485	61	
Travel	-	-	-	-	288	913	6	-	
Other direct program expenses	-	9	24,520	15,948	1,253	87,490	33,946	7,702	
Allocation of supporting service expenses	-	38,004	134,430	57,491	1,641	567,119	184,611	39,913	
	-	2,039	7,214	3,085	88	30,434	9,907	2,142	
Total expenses	-	40,043	141,644	60,576	1,729	597,553	194,518	42,055	
Change in net assets	\$ 10,211	\$ (1,171)	\$ (35,906)	\$ (44,321)	\$ (1,729)	\$ 79,722	\$ (6,371)	\$ (1,492)	

New Horizons Youth Service Bureau, Inc.
Schedule of Revenues, Support, Services, General and Administrative, and Fundraising Expenses Allocated to Programs
For the Year Ended June 30, 2008

	Program Services					Supporting Services	
	Counseling Center	Positive Steps	School Lunch	Bright Horizons	ADAPT	Program Services Total	General and Administrative Fund Raising Total
Unrestricted revenues and other support							
Government grants and contracts	\$ 10,131	\$ 602,497	\$ 62	\$ 23,603	\$ 47,217	\$ 1,735,068	\$ -
Contributions in-kind	-	137,512	-	-	-	138,012	-
Program service fees	1,666	-	-	-	-	1,790	-
Donations	-	150	-	-	-	8,581	-
Tangipahoa United Way	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	26,789
Interest	-	-	-	-	-	-	195
Other income	-	1,967	-	-	-	1,967	2,256
Total unrestricted revenues and other support	11,797	742,126	62	23,603	47,217	1,885,418	29,240
Allocation of supporting service revenues	183	11,509	1	366	732	29,240	(29,240)
Total revenues and other support	11,980	753,635	63	23,969	47,949	1,914,658	-
Expenses							
Compensation expenses	10,639	400,869	-	48,197	36,637	1,341,741	6,255
Occupancy	580	2,568	-	960	154	9,997	(263)
Travel	-	7,844	-	618	-	9,669	-
Other direct program expenses	4,223	328,807	1,032	20,133	10,642	535,705	95,814
Allocation of supporting service expenses	15,442	740,088	1,032	69,908	47,433	1,897,112	101,806
	829	39,716	55	3,752	2,545	101,806	(101,806)
Total expenses	16,271	779,804	1,087	73,660	49,978	1,998,918	-
Change in net assets	\$ (4,291)	\$ (26,169)	\$ (1,024)	\$ (49,691)	\$ (2,029)	\$ (84,260)	\$ -
							\$ (84,260)

See independent auditors' report

OTHER INDEPENDENT AUDITORS' REPORTS



Certified Public Accountants

Brent A. Silva, CPA
Kenneth J. Abney, CPA, MS Acct-Tax

Craig A. Silva, CPA
Thomas A. Gurtner, CPA

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS AND OFFICE OF MANAGEMENT
AND BUDGET (OMB) CIRCULAR A-133**

Board of Directors
New Horizons Youth Service Bureau, Inc.
Hammond, Louisiana

We have audited the financial statements of the New Horizons Youth Service Bureau, Inc. as of and for the year ended June 30, 2008, and have issued our report thereon dated December 22, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of Institutions of Higher Education and Other Nonprofit Institutions*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the New Horizons Youth Service Bureau, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the New Horizons Youth Service Bureau, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the New Horizons Youth Service Bureau, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the New Horizons Youth Service Bureau, Inc.'s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the New Horizons Youth Service Bureau, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by the New Horizons Youth Service Bureau, Inc.'s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the New Horizons Youth Service Bureau, Inc.'s internal control.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the New Horizons Youth Service Bureau, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the finance committee, management, the Department of Health and Human Services, United Way, federal awarding agencies, pass-through entities, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

A handwritten signature in cursive script that reads "Silva & Associates, LLC". The signature is written in dark ink and is positioned above the date.

December 22, 2008

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OFFICE OF MANAGEMENT AND
BUDGET (OMB) CIRCULAR A-133**

Board of Directors
New Horizons Youth Service Bureau, Inc.
Hammond, Louisiana

Compliance

We have audited the compliance of the New Horizons Youth Service Bureau, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. New Horizons Youth Service Bureau, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the New Horizons Youth Service Bureau, Inc.'s management. Our responsibility is to express an opinion on the New Horizons Youth Service Bureau, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the New Horizons Youth Service Bureau, Inc.'s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the New Horizons Youth Service Bureau, Inc.'s compliance with those requirements.

In our opinion, the New Horizons Youth Service Bureau, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control over Compliance

The management of the New Horizons Youth Service Bureau, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the New Horizons Youth Service Bureau, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the New Horizons Youth Service Bureau, Inc.'s internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above

This report is intended for the information of the finance committee, management, the Department of Health and Human Services, United Way, federal awarding agencies, pass-through entities, and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in cursive script that reads "Silver & Associates, LLC". The signature is written in dark ink and is positioned above the date.

December 22, 2008

**New Horizons Youth Service Bureau, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified		
Internal control over financial reporting:			
Material weaknesses identified?	_____ yes	_____ X	no
Significant deficiencies identified			
not considered to be material weaknesses?	_____ yes	_____ X	none reported
Noncompliance material to financial statements noted?	_____ yes	_____ X	no

Federal Awards

Internal control over major programs:			
Material weaknesses identified?	_____ yes	_____ X	no
Significant deficiencies identified			
not considered to be material weaknesses?	_____ yes	_____ X	none reported

Type of auditors' report issued on compliance for major programs:	Unqualified
---	-------------

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510 (a)?	_____ yes	_____ X	no
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Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

93.556
93.667

Family Preservation and Support Services
Social Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	_____ \$300,000
Auditee qualified as low-risk audit?	_____ X _____ yes _____ no

**Section II - Internal Control & Compliance
Governmental Auditing Standards
OMB Circular A-133**

Internal Control

<u>Item Number</u>	<u>Agency/Program</u>	<u>Questioned Costs</u>
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No findings and questioned costs for the year ended June 30, 2008

**New Horizons Youth Service Bureau, Inc.
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2008**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Corrective Action Taken</u>
Section I - Compliance and Internal Control Material to the Financial Statements				
No reported findings for the year ended June 30, 2007				
Section II - Internal Control and Compliance Material to Federal Awards				
No reported findings for the year ended June 30, 2007				
Section III - Management Letter				
No reported findings for the year ended June 30, 2007				